

FILED

MAR 16 2011

EUGENE R. WEDOFF,
BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:

CANOPY FINANCIAL, INC.

Debtor.

Case No. 09 B 44943

Chapter 7

**FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER AWARDING TO
STONETURN GROUP LLP, CONSULTANT TO THE TRUSTEE, FOR ALLOWANCE AND PAYMENT
OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

TOTAL FEES REQUESTED:	\$247,957.50	TOTAL COSTS REQUESTED:	\$1,179.62
TOTAL FEES REDUCED:	\$675.00	TOTAL COSTS REDUCED:	\$40.82
TOTAL FEES ALLOWED:	\$247,282.50	TOTAL COSTS ALLOWED:	\$1,138.80

TOTAL FEES AND COSTS ALLOWED: \$248,421.30

The attached time and expense entries have been underlined to reflect disallowance in whole or in part. The basis for each disallowance is reflected by numerical notations that appear on the left of each underlined entry. The numerical notations correspond to the enumerated paragraphs below.

(4) Insufficient Description

The Court denies the allowance of compensation for the following task since the description of the time entry fails to identify in a reasonable manner the service rendered. *In re Pettibone*, 74 B.R. 293, 301 (Bankr. N.D. Ill. 1987) ("A proper fee application must list each activity, its date, the attorney who performed the work, a description of the nature and substance of the work performed, and the time spent on the work. [Citation omitted] Records which give no explanation of the activities performed are not compensable."); *In re Wildman*, 72 B.R. 700, 708-9 (Bankr. N.D. Ill. 1987) (same).

(6) Meal Expenses

The Court denies the allowance of reimbursement of this meal expense. *In re Covent Guardian Corp.*, 103 B.R. 937, 942 (Bankr. N.D. Ill. 1989) ("[I]t is highly unlikely that counsel could prove that the meal expenses were reasonably necessary for the proper representation of the debtor . . . If the attorney were not working on the case, he would still have to eat. Accordingly, the Court finds that, except in very limited circumstances, local meals are not reasonably necessary for the proper representation of the client.").

Dated: March 16, 2011


Eugene R. Wedoff
United States Bankruptcy Judge

EXHIBIT E-2

Matter: Meetings

Employee Name	SubMatter	Detailed Description	Date	Hours	Rate	Fees
Buchanan, Greg	Prepare for and attend meeting with counsel	Call with Jason Delonker and Gus Paloian (Seyfarth Shaw), Vince Lazar (Jenner & Block), and Rex Homme and Simon Platt (StoneTurn)	1/3/11	0.5	\$ 350.00	\$ 175.00
Homme, Rex	Prepare for and attend meeting with counsel	Call with Jason Delonker and Gus Paloian (Seyfarth Shaw), Vince Lazar (Jenner & Block), and Rex Homme and Simon Platt (StoneTurn)	1/3/11	0.5	\$ 450.00	\$ 225.00
Platt, Simon	Prepare for and attend meeting with counsel	Call with Jason Delonker and Gus Paloian (Seyfarth Shaw), Vince Lazar (Jenner & Block), and Greg Buchanan and Rex Homme (StoneTurn)	1/3/11	0.5	\$ 550.00	\$ 275.00
Buchanan, Greg	Prepare for and attend meeting with financial advisors	Call with Pat McGrath and Rex Homme to discuss [REDACTED]	1/4/11	1.5	\$ 350.00	\$ 525.00
Buchanan, Greg	Prepare for and participate in call with Company personnel	Call with Bob Angart, Canopy's Chief Restructuring Officer, and Rex Homme (StoneTurn), [REDACTED]	1/4/11	0.6	\$ 350.00	\$ 210.00
Homme, Rex	Prepare for and attend meeting with financial advisors	Call with Pat McGrath and Greg Buchanan to discuss [REDACTED]	1/4/11	1.5	\$ 450.00	\$ 675.00
Homme, Rex	Prepare for and participate in call with Company personnel	Call with Bob Angart, Canopy's Chief Restructuring Officer, and Greg Buchanan (StoneTurn), [REDACTED]	1/4/11	0.6	\$ 450.00	\$ 270.00
Buchanan, Greg	Prepare for and attend meeting with financial advisors	Meeting with Pat McGrath and Rex Homme to discuss work [REDACTED]	1/6/11	5.5	\$ 350.00	\$ 1,925.00

EXHIBIT C

Expenses	Amount
Airfare	\$ 1,026.80
Ground Transportation	112.00
Meals	40.82
Total	\$ 1,179.62

⑥ - \$40.82